

Contractor Eligibility

General Services Administration
Federal Supply Service
October 1998

FACT SHEET

SUBJECT:

Availability of Government travel and transportation contract fares or prices to Government contractors.

BACKGROUND STATEMENT:

The General Services Administration (GSA) implements cost-saving initiatives to reduce the cost of Federal travel, both through contractual arrangements and negotiated rate agreements with private vendors. The individual contracts or agreements between GSA and the vendors determine whether contractors are eligible to utilize the travel cost saving programs.

The term "contractor(s)" means:

- a. Contractors working under a cost reimbursement contract; and
- b. Contractors working for the Government at specific sites under special arrangements with the contracting agency, and which are wholly Federally funded (e.g., Government-owned, contractor operated (GOCO), federally funded research and development (FFRDC), or management and operating (M&O) contracts).

ACTION:

1. Contract air passenger transportation practices. Use of GSA contract air passenger fares is governed by GSA's contracts with the airlines. As of October 1, 1998, under GSA's contracts for air passenger transportation services, contractors are not eligible to use GSA's contract city pair fares.

Invitational travel orders should not be issued for Contractors at the Government contract fare, nor should contractor travel be issued on Government centrally billed accounts at the Government contract fare. Contact point for further information:

Airline City Pairs Team
Services Acquisition Center
Service Contracts Division (FCXB)
Crystal Mall #4, Room 507
Washington, DC 20406

2. Discount rail service. AMTRAK voluntarily offers discounts to Federal travelers on official business. These discounted rates may be extended to eligible contractors traveling on official Government business. A contractor-issued letter of identification is required.
3. Discount hotel/motel practices. Several thousand lodging providers extend discount lodging rates to federal travelers. Many currently extend their discount rates to eligible contractors traveling on official Government business. A contractor-issued letter of identification is required.

Contact Point:

GSA Travel and Transportation (9FBT-1)
450 Golden Gate Avenue, 4th Floor W
San Francisco, CA 94102
(415)522-4671

4. Department of Defense (DOD) car rental practices. DOD's Military Traffic Management Command negotiates special rate agreements with car rental companies available to all Government employees while traveling on official Government business. Some car rental companies offer these discount rates to eligible Government contractors at the vendor's option, with appropriate identification from the contracting agency.

Contract Point:

Military Traffic Management Command
5661 Columbia Pike
ATTN: MTOP-QE
Falls Church, VA 22041-5050
(703)681-6393

Complaints/Discrepancies/Claims - Chris Braswell - (703)681-6292

Vendor requirements

The vendor providing the service may require that the Government authorized contractor furnish a letter of identification signed by the authorizing agency's contracting officer. Attachment 1 illustrates a standard letter of identification to request eligible Government contractors use of travel and/or transportation discounts negotiated by the Government, where available.

Agency Responsibilities

Agencies should know which hotels and car rental companies offer Government discount rates to Government contractors and ensure that their authorized contractors know how to obtain this information. This information is provided to and published by several commercial publications including the Official Airline Guides Official Traveler (800) DIAL-OAG, Innovata (800) 846-6742, and National Telecommunications (201) 928-1900. In addition, GSA contract Travel Management Centers (TMCs) and DOD's Commercial Travel Offices (CTOs) have this information.

Agencies should furnish Government contractors with the identification letter referenced above, for presentation to AMTRAK, hotel/motel, and/or car rental firms upon request. It should be noted, however, that these vendors are under no obligation to extend the discounted Government rates to contractors working on behalf of the Federal Government. All agencies should circulate this information to contracting officers and to Government authorized contractors, where applicable.

3. Who can use the City Pair Program?

The City Pair Program is so attractive that usage is strictly limited. There are a few exceptions, but in general, only Federal or military employees on official travel, may use the program with an appropriate form of payment (Government travel charge card or centrally-billed account or GTR).

4. How come contractors can not use the City Pair Program? It would save the government a lot of money!

GSA recognizes that contractors often sit next to Federal employees, work on the same projects as Federal employees, and travel with Federal employees. However, contractors are not Federal employees. All of the major airlines have made it clear to GSA that because the contract rates are so low and the terms so favorable, the airlines would drop out of the city pair program rather than extend the contract rates to contractors. GSA has made the business decision not to jeopardize the program nor the \$2 billion savings it generates for taxpayers.

GSA cautions agencies that the purchase of contract fare tickets on behalf of cost reimbursable contractors is a misuse of the city pair program and could jeopardize its future success.

ATTACHMENT 1
OFFICIAL AGENCY LETTERHEAD

TO: Participating Vender

SUBJECT: OFFICIAL TRAVEL OF GOVERNMENT CONTRACTORS

(FULL NAME OF TRAVELER), the bearer of this letter, is an employee of

(COMPANY NAME) which has a contract with this agency under Government

contract (CONTRACT NUMBER). During the period of the contract

(GIVE DATES), AND WITH THE APPROVAL OF THE CONTRACT

VENDOR, the employee is eligible and authorized to use available travel discount

rates in accordance with Government contracts and/or agreements.

Government Contract City Pair fares are not available to Contractors.

SIGNATURE, Title and telephone number of Contracting Officer